

September 27, 2011

The Honorable Patty Murray (D-WA)
Chairperson
Joint Select Committee on Deficit Reduction
448 Russell Senate Office Building
Washington, DC 20510

The Honorable Jeb Hensarling (R-TX)
Chairperson
Joint Select Committee on Deficit Reduction
129 Cannon House Office Building
Washington, DC 20515

Dear Senator Murray and Representative Hensarling:

The undersigned representatives of national patient, health care professional and provider organizations request that as you begin your work on deficit reduction, you consider methods to resolve the long standing need to address the Medicare therapy caps. It is our view that true deficit reduction cannot be accomplished without addressing therapy cap repeal, particularly if the Select Committee addresses the Sustainable Growth Rate (SGR) in its recommendations.

In 1997, Congress passed the Balanced Budget Act (BBA) that created an annual financial cap or limit on physical therapy and speech-language pathology services and a separate cap on occupational therapy for all outpatient settings. Since 1997 the Congress has acted numerous times to forestall the impact of the therapy caps on seniors and individuals with disabilities under the Medicare program. This has historically been addressed along with the SGR since their deadlines are typically the same.

An arbitrary therapy cap on outpatient services without regard to clinical appropriateness of care discriminates against the most vulnerable of Medicare beneficiaries. Beneficiaries who experience stroke, neuromuscular diseases, hip fracture, Parkinson's disease, diabetes, arthritis or osteoporosis are most likely to be negatively impacted by this arbitrary therapy cap. Also, those beneficiaries who experience more than one episode of illness or injury in a twelve-month period would risk needing more therapy than that covered under the existing payment limit.

The therapy caps reduce Medicare beneficiaries' access to rehabilitation services either by limiting their choice of providers or by forcing them to bear 100% of the cost of care once they exceed it, or self-rationing their care to avoid exhausting their benefits. The therapy caps shift costs, delay care, and reduce an individual's ability to remain independent in his or her home and community.

An arbitrary cap also prevents beneficiaries from receiving the rehabilitation care they need in a timely fashion. Beneficiaries who fail to receive the rehabilitation care they need from a physical therapist, occupational therapist, or speech-language pathologist are more likely to require higher-cost interventions to remain functional. The harmful effect of the cap is worsened by coupling physical therapy and speech-language pathology services under one cap.

In 2006, Congress allowed the therapy caps to go into effect but authorized Medicare to allow exceptions for beneficiaries needing additional rehabilitation services based on diagnosis, clinician evaluation and judgment. Congress has acted annually to extend these exceptions for beneficiaries, but the exceptions are only authorized through December 31, 2011.

Repeal of the therapy caps is the only effective way to provide a long term solution to this flawed policy and to enact responsible deficit reduction. Without repeal, Congress will be forced to address this issue yearly as it currently does with the SGR. We stand ready to assist you in addressing this important issue and look forward to working with you.

Sincerely,

American Heart Association/American Stroke Association
American Medical Rehabilitation Providers Association
American Music Therapy Association
American Occupational Therapy Association
American Physical Therapy Association
American Speech-Language Hearing Association
Arthritis Foundation
Brain Injury Association of America
Disability Rights Education and Defense Fund
Easter Seals
Focus on Therapeutic Outcomes
National Association for the Support of Long Term Care
National Association of Rehabilitation Providers and Agencies
National Multiple Sclerosis Society
National Network of Rehabilitation Therapy Private Practices
National Stroke Association
Parkinson's Action Network
Private Practice Section, American Physical Therapy Association
The ALS Association

cc: Members of the House Ways and Means Committee
Members of the House Energy and Commerce Committee
Members of the Senate Finance Committee